

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Case No. 04-44463

Christopher J Stigen,

Chapter 13 Case

Debtor,

**OBJECTION BY WELLS FARGO FINANCIAL NATIONAL BANK
TO CONFIRMATION OF CHAPTER 13 PLAN
WITH MEMORANDUM**

TO: Debtor and other entities specified in Local Rule 9013-3.

1. Wells Fargo Financial National Bank, (the "Respondent") is the holder of a claim in the above case, and, by its undersigned attorney, objects to confirmation of the proposed Chapter 13 Plan.
2. The petition commencing this Chapter 13 case was filed on August 11, 2004. The Debtor have filed a Chapter 13 Plan which is scheduled for confirmation hearing on October 7, 2004 at 10:30 AM.
3. This objection arises under 11 U.S.C. §1324 and Fed. R. Bankr. P. 3015, and is filed under Fed. R. Bankr. P. 9014 and Local Rules 3015-3, 9013-2, 9013-3. Respondent objects to confirmation of the proposed Plan and requests an order denying confirmation of the proposed Plan.
4. Respondent is the holder of a claim, and is thus a party in interest.
5. The balance outstanding on the debt owed to Respondent by Debtor is \$7,290.86.
6. Respondent holds a perfected security interest in a 14K WHITE GOLD 1/2 CTW DIAMOND RING (the collateral). Copies of Respondent's Contract evidencing the underlying transaction is attached as Exhibit "A". The collateral was purchased by the Debtor. The present market value of the collateral on or about August 11, 2004 was \$5,000.00. Respondent's Contract provides for interest on the balance.

7. The Plan proposed by Debtor: (1) provides for payment to the Chapter 13 Trustee of \$200.00 per month, (2) does not provide for secured treatment of Respondent's secured claim, (3) does not provide for surrender of the collateral, and does not allow Respondent to retain its lien on the collateral, and (4) estimates payments on unsecured claims will be about 13 cents on the dollar.
8. The Schedules filed includes Respondent's claim in Schedule F as an unsecured nonpriority claim.
9. The Plan is objected to on the following grounds
 - a. Good Faith. That the Plan has not been proposed in good faith in violation of §1325(a)(3).

Under §1325(a)(3), the court cannot confirm a Chapter 13 plan that is not filed in good faith. In the 8th Circuit, good faith is determined by considering the totality of circumstances. In re LeMaire, 898 F.2d 1346 (8th Cir.1990). See also, In re Estus, 695 F.2d 311 (8th Cir.1982) and Education Assistance Corp. v. Zellner, 827 F.2d 1222 (8th Cir.1987).

Three factors are considered in determining whether a plan was proposed in good faith: (1) whether the Debtor accurately stated his expenses and debts; (2) whether the Debtor made a fraudulent misrepresentation to the Bankruptcy Court; and (3) whether the Debtor unfairly manipulated the Bankruptcy Code. Bayer v. Hill, 210 B.R. 794, 796 (8th Cir. BAP August 12, 1997). Other factors may also be considered, such as: the nature of the debts sought to be discharged, including their dischargeability under Chapter 7, and the debtor's reasons for seeking Chapter 13 relief. See In re Reynold and Patricia Mattson, 241 B.R. 629 (Bkrtcy. Minn. 1999) (No. 99-42865, Nov. 30, 1999). "The bottom line for most courts, even those outside of this circuit, is whether the debtor is attempting to thwart his creditors or is making an honest attempt to repay them." Mattson, supra, page 637.

Debtor's schedules do not disclose the existence of the ring purchased by Debtor and financed through Respondent's contract. The burden is on the Chapter 13 Debtor to establish good faith in the filing of a debt adjustment plan once that good faith is questioned. In re Belt, 106 B.R. 553 (Bkrtcy.N.D.Ind. 1989), §1325(a)(3).

- b. Valuation. That the Plan does not provide adequate protection for Respondent's secured claim as required in §361(1); the scheduled collateral value is substantially understated, creating an unrealistically small secured claim value.

The Court must deny confirmation of a Plan that does not comply with the provisions of the Bankruptcy Code or the Local Rules under §1325(a)(1). Two of the crucial provisions regarding secured claims are those of adequate protection under §361 and of valuation of collateral under §506.

Debtor must either treat the claim as secured for its value or must surrender the collateral to Respondent.

WHEREFORE, Wells Fargo Financial National Bank requests the court deny confirmation of the proposed plan.

Dated: September 29, 2004

STEWART, ZLIMEN & JUNGERS, LTD.

/e/ Linda Jeanne Jungers

Linda Jeanne Jungers, Atty ID #5303X

Attorneys for Movant

430 Oak Grove Street #200

Minneapolis, MN 55403

612-870-4100

This is a communication from a debt collector attempting to collect a debt. Any information obtained will be used for that purpose.

Client #7890 3-325-11537-949 Kelhe/Dawn
 Retailer # 1111 2014412 For Retailer Use Only Amount of Purchase \$ 5697.23
 Authorization Number 195038 Customer Account # 7990-~~000000~~

HOFF JEWELERS, INC. Credit Card Account Application

Check Account Choice ☐ Individual ☐ Joint

Name Christopher J Stigen Date of Birth 12-14-1971
 Address 12300 Marion Ln Apt. No. 2102 E-mail Address _____
 City Minnetonka State MN Zip 55305
 Phone No. 952-738-0119 Own ☒ Rent ☐ How long at this address? Years 1 Months _____
 Landlord or mortgagee _____ Value of Home _____ Mort. or rent monthly \$ 550-
 Previous Address 1611 5th St NE, Mpls State MN Zip 55413 How long 3
 Your Employer Building Maint Manager How long there? 7 yrs
 Your Position Facility Mgr Phone No. 612-363-0243 Social Security No. ~~123-45-6789~~
 Your Annual Salary \$ 49,000 Other Income Sources 0
 Previous Employer (if retired or less than 3 years in present job) _____
 Name and address of nearest relative not living with you _____

1. If you reside in Wisconsin and are married, you must provide your spouse's name and address unless this is a joint application with your spouse:

Name of Co-Applicant _____ Date of Birth _____ Social Security No. _____
 Address _____ How long _____ yrs. Phone No. (____) _____
 Employer _____ How long _____ yrs. Phone No. (____) _____
 Employer's Address _____ Annual Salary \$ _____
 Position _____ Other Income Sources _____

*Alimony, child support, or separate maintenance income need not be revealed if the applicant does not desire to have it considered in determining creditworthiness.

Signature. Your signature means that you have read and agree to the terms of our Credit Card Account Agreement and our Arbitration Agreement. You acknowledge receipt of a copy of our Credit Card Account Agreement and our Arbitration Agreement. You give us and we will retain a purchase-money security interest in goods purchased under this Agreement.

YOU ACKNOWLEDGE RECEIPT OF A COPY OF THE CREDIT CARD ACCOUNT AGREEMENT. YOU ACKNOWLEDGE THE EXISTENCE OF THE ARBITRATION AGREEMENT CONTAINED IN THE CREDIT CARD ACCOUNT AGREEMENT AND YOU SPECIFICALLY AGREE TO BE BOUND BY ITS TERMS.

PLEASE REFER TO THE REVERSE SIDE OF THIS APPLICATION FOR ADDITIONAL INFORMATION ABOUT RATES, FEES, AND OTHER COSTS.

Applicant's Signature

Date

2800 06/01 (7890) (HV)

Co-Applicant's Signature

Date

EXHIBIT A

89/16/2884 17:87 6516391688

HOFF ROEDALE CENTER

PAGE 02

16 AUG 04 17:28

7920
Christopher J Stigen
1880 HOFF JEWELERS

Account: 02016481 STIGEN

CHRISTOPHER Date Range: FIRST to LAST

Date	Loc	Ticket	Slp Dept	Item	Qty	Extens
11/28/01	2 LF	150287	44 20	DSOC01964	1	4149.
1.12RD I, SI3 14KYG DIA						

Item Sell		6389.40	Tax Code Y002	Vendor	1880 HOFF JEWELERS	
Act Sell		4149.51	Bonus	Vendor Item	SOLITAIRE	
Discount		34%	Sold by (1,2,3,C)	44,	30,	4
-----ITEM SORT FIELDS-----						
Size: 1.12 Color: I Clarity: SI3						
12/21/01	2 LF	158722	44 22	DPSM14555	1	1200.
14KYG 1/2CTW SEMI RING						

Item Sell		1200.00	Tax Code Y002	Vendor	1880 HOFF JEWELERS	
Act Sell		1200.00	Bonus	Vendor Item	CUSTOM	
Discount		0%	Sold by (1,2,3,C)	44,	30,	28
-----ITEM SORT FIELDS-----						
Size: .00 Color: DIA						
02/12/02	2 CS	158377	44 30	WAR4070	1	99.
LIFETIME DIA OVER \$2000						
90 DAY INT FREE ON						
WELL FARGO AUTH#373562						

Item Sell		99.99	Tax Code N002	Vendor	1880 HOFF JEWELERS	
Act Sell		99.99	Bonus	Vendor Item		
Discount		0%	Sold by (1,2,3,C)	44,	30,	4
-----ITEM SORT FIELDS-----						
Size: .00						

HOFF JEWELERS, INC. CREDIT CARD ACCOUNT AGREEMENT GENERAL TERMS

These terms apply to your entire account:

IDENTIFICATION OF PARTIES. In this agreement and the Arbitration Agreement contained herein, the words "you" and "your" mean each person who signed the credit card account application. The words "we", "us" and "our" mean Wells Fargo Financial National Bank, Las Vegas, Nevada, a subsidiary of Wells Fargo Financial, Inc. The word "account" refers to the credit card account you have with us. If you have a joint account, all of you are bound by this agreement, and each of you is responsible for payment of the entire amount.

OVERVIEW OF ACCOUNT. Your account may be divided into two or more subaccounts so we can offer you special features. When you use your account at a participating HOFF JEWELERS, INC. store, the purchase will be part of your regular subaccount. If we cause the sales slip to indicate that special terms apply, the purchase will be part of a special subaccount. We may, at any time, grant you the ability to use your account to obtain cash advances. If we do allow you to obtain cash advances, all cash advances will be part of your cash advance subaccount. Some parts of this agreement apply to the entire account and some parts apply to certain kinds of subaccounts.

PROMISE TO PAY. When you use your account or let someone else use it, you promise to pay the total amount of the transaction. You also promise to pay any finance charges or other charges that may be due. All amounts owed must be paid in United States dollars. We can accept late payments, partial payments or checks and payment instruments marked with words of condition or limitation, such as "payment in full," without losing any of our rights under this agreement.

CREDIT LIMIT. You will have one credit limit for regular subaccount transactions and, if applicable, a separate credit limit for cash advance transactions. We will tell you your regular subaccount credit limit at or before the time you receive your card. We may tell you your cash advance credit limit at the time you receive your card or in a subsequent mailing. Both credit limits will also be given on your monthly statement, if applicable. You promise to use your account only to these limits. We can change either limit anytime. If you use your account for more than your limit(s), you will remain liable for your charges, and we do not give up any of our rights. Generally, your available credit for your regular subaccount and cash advance subaccount will be your credit limit(s) less any unpaid balance and outstanding transaction authorizations.

BILLING CYCLE. A billing cycle is the interval between regular monthly statements. The billing date shown on a statement is the last day of the billing cycle for that statement.

USE OF ACCOUNT. The use of your account by you or anyone permitted by you indicates acceptance of the terms of this agreement. You promise that all purchases made using your account will be only for personal, family or household purposes.

CREDIT CARDS. We may send you credit cards for use with your account. These cards, and any other credit instrument or device we supply to you, always belong to us. If we ask, you must return all cards and any other credit instruments or devices that you have received.

LOST OR STOLEN CARDS. You agree to notify us immediately of the loss, theft or use without your permission at the address or telephone number shown on your statement. You may notify us orally or in writing.

DEFAULT - ENTIRE BALANCE DUE. If you don't make a minimum payment on time or if you violate the terms of this agreement, you will be in default. When that happens, you agree that to the extent permitted by law we can require you to pay the remaining balance of your account at once. We can do this without giving you advance notice unless advance notice is required by law.

LIABILITY FOR UNAUTHORIZED USE. If you believe that your card may have been lost or stolen or that your account number may have been used without your authorization, you must notify us immediately at the address or telephone number shown on your statement. You may notify us orally or in writing. You will not be held liable for the unauthorized use of your account.

REFUSAL TO HONOR CARD. We are not responsible for the refusal of anyone to honor your card.

ASSIGNMENT. We have the right to assign this account to another creditor.

CHANGE OF TERMS. We may change the terms of this account from time to time if not prohibited by law.

RIGHT TO LIMIT OR CLOSE. We may limit or close your account, but the terms of this agreement will apply until any unpaid balance is fully paid.

DELAY IN ENFORCEMENT. We may waive or delay enforcing any of our rights without losing them. We may waive or delay enforcing a right against one of you without waiving it as to the other.

CREDIT INFORMATION. You promise that any information you give to us in connection with your application or account is true and complete and understand that this information will be relied on by us in establishing your account and in extending credit under your account. We may report information we receive from you in connection with your account and information about your transactions with us to credit bureaus and others as permitted by law.

AUTHORIZATION TO INVESTIGATE CREDIT INFORMATION AND OBTAIN CREDIT REPORTS. You authorize us to investigate your credit, employment, and income records and to verify your credit references. You authorize us to obtain credit reports on you in connection with your application, in connection with any review, enhancement or collection of your account and for marketing purposes. You instruct any credit bureau to provide credit reports for these purposes to us or to any creditor to whom we assign this account.

NOTIFYING US OF INACCURATE INFORMATION. You have the right to notify us if we report inaccurate information about your account to the credit bureaus. Such notices should be sent in writing to us at: Central Processing, P.O. Box 9121, Des Moines, IA 50306. Please include your account number and a description of the information that is incorrect.

SHARING INFORMATION WITH CORPORATE AFFILIATES. You agree that we may share with our corporate affiliates the information we have about you and your transactions. This includes information contained in your application, in this agreement or from any other source. In addition, you agree that such information may be used for any purpose. If you decide you do not want us to share this information, you will inform us by telling us when signing this agreement, or by writing to: Enterprise Support Center (MAC N9777-111), P.O. Box 5110 Sioux Falls, SD 57117. Even if you notify us as such, you understand and agree that we may still share with our corporate affiliates information solely regarding transactions and experiences between you and us.

DISCLOSURE OF INFORMATION ABOUT THIS ACCOUNT TO HOFF JEWELERS, INC. - CONSENT. We may disclose information we receive from you in connection with your account and information about transactions under your account to HOFF JEWELERS, INC. and its corporate affiliates. They may use this information to offer additional products to you and for other marketing purposes. You consent to these disclosures and use of information.

APPLICABLE LAW. This agreement is made in the state of Nevada. This agreement is governed by applicable federal law and the law of the state of Nevada.

SIGNATURE. Your signature on the credit card application means that you have read and agree to the terms of our retail installment credit agreement. You acknowledge receipt of a copy of our credit card account agreement.

OTHER CHARGES. We may charge your account for the following items. These items will be charged as transactions under your regular subaccount:

Late Charge. Payments that are received by us on or before 3:00 p.m. on any business day will be credited as of the date of receipt. Payments we receive after 3:00 p.m. or on non-business days may be credited as of the next business day if allowed by applicable law. Saturdays, Sundays, and federal holidays are considered non-business days. If any minimum payment is more than 2 days late, you agree to pay a late charge equal to \$28.00. **Returned Instrument Fee.** If any check, other instrument, or direct debit for payment on your account is dishonored or returned unpaid for any reason, you agree to pay a returned instrument fee of \$28.00.

Over Limit Fee. You agree to pay an over limit fee of \$28.00 to your account each time the unpaid balance of your account exceeds your credit limit at the end of any billing cycle.

Convenience Payment Fee. If you make a payment to us by authorizing us (verbally or in writing) to write a check or process a payment through the use of Automated Clearing House procedures or other electronic funds transfers on your checking account, you agree to pay a convenience payment fee of \$5.00 per payment, unless this fee is prohibited by applicable law. This fee does not apply if you sign up for an ongoing automatic payment plan where payments are deducted routinely from a designated account.

Attorneys Fees and Court Costs. If you default and we refer your account for collection to an attorney who is not our salaried employee, you agree to pay reasonable attorney's fees and actual court costs to the extent permitted by applicable law.

MINIMUM PAYMENT. You promise that within 26 days of the billing date shown on each statement you will pay at least the total minimum payment for your account. The minimum payment listed on your monthly statement is the total of all minimum payments required for each subaccount. The minimum payment will also include any past due amount. You will make payments at the address indicated on your statement. Payments are considered made when received at that address. You may pay your entire balance in full or more than the minimum payment at any time. Payment of more than the minimum payment but less than the unpaid balance will not relieve you of the obligation to make at least the minimum payment in any future billing cycle.

APPLICATION OF PAYMENTS. Your payment will be allocated in a manner we determine in accordance with applicable law and may change from time to time. We reserve the right to apply payments to balances with lower interest rates prior to balances with higher interest rates. Your available credit will be increased by the amount of your payment within 14 days after your payment is received.

SECURITY INTEREST. To the extent permitted by applicable law, you hereby grant to us and we are retaining a purchase money security interest under the Uniform Commercial Code in the merchandise purchased on your account until such merchandise is paid for in full. You agree to assist us in executing any documents necessary to perfect our security interest. If you do not make a minimum payment due on your account by the date on which it is due, we may repossess any merchandise that has not been paid for in full.

REGULAR SUBACCOUNT

These terms apply to your regular subaccount:

REGULAR SUBACCOUNT MINIMUM PAYMENT. The new balance shown for the subaccount on a statement is the unpaid balance of the subaccount at the end of the billing cycle. The minimum payment for the regular subaccount is 1/30th of the highest new balance of the subaccount, but at least \$25.00. The minimum payment will be rounded to the nearest dollar. The minimum payment will change only if subsequent activity increases the new balance to an amount requiring a higher minimum payment.

WHEN FINANCE CHARGE IS IMPOSED. The finance charge on a transaction under your regular subaccount begins on the day the transaction is first charged to the subaccount unless you pay the new balance for the subaccount shown on the statement listing the transaction within 25 days after the billing date. If you pay the new balance for the subaccount shown on a statement within 25 days after the billing date you will avoid finance charges for transactions under the subaccount listed on that statement. You will also avoid additional finance charges on the rest of the new balance for the subaccount.

PERIODIC RATE. The periodic rate used in figuring the finance charge is 2.00% per month (ANNUAL PERCENTAGE RATE 24.0%).

FINANCE CHARGE. The total finance charge for the subaccount will be made up of the initial finance charge for the current billing cycle, plus the remaining finance charge for the previous billing cycle. The initial finance charge for the current billing cycle is figured by applying the periodic rate to the average daily balance of old purchases. The remaining finance charge for the previous billing cycle is figured by applying the periodic rate to the average daily balance of previous billing cycle new purchases.

AVERAGE DAILY BALANCE OF OLD PURCHASES. "Old Purchases" are purchases that were posted to the subaccount before the current billing cycle. To get the average daily balance of old purchases, we take the beginning balance of old purchases each day of the current billing cycle and subtract any payments or credits that were applied to old purchases. If you paid the new balance you owed at the end of the previous billing cycle in full within 25 days of the billing date for the previous billing cycle, we do not add in any part of the new balance you paid. This gives us the daily balance of old purchases. Then we add up all the daily balances of old purchases (credit balances are not included) and divide the total by the number of days in the current billing cycle. This gives us the average daily balance of old purchases.

AVERAGE DAILY BALANCE OF PREVIOUS BILLING CYCLE NEW PURCHASES. "Previous billing cycle new purchases" are those new purchases that were posted to the subaccount during the previous billing cycle. To get the average daily balance of previous billing cycle new purchases, we take the beginning balance of previous billing cycle new purchases each day of the previous billing cycle, add any previous billing cycle new purchases, and subtract any payments or credits that were applied to previous billing cycle new purchases. This gives us the daily balance of previous billing cycle new purchases. Then we add up all the daily balances of previous billing cycle new purchases (credit balances are not included) and divide the total by the number of days in the previous billing cycle. This gives us the average daily balance of previous billing cycle new purchases. If you paid the new balance you owed at the end of the previous billing cycle in full within 25 days of the billing date for the previous billing cycle then the average daily balance of previous billing cycle new purchases is zero.

SPECIAL SUBACCOUNTS

These terms apply to special subaccounts:

SPECIAL TERMS. We may from time to time allow you to make purchases at special terms. This part of your agreement explains how these special terms apply. If a sales slip or its equivalent indicates that special terms apply, then special terms apply for that purchase. You accept the special terms by making the purchase.

SUBACCOUNT ESTABLISHED. A purchase subject to special terms establishes a subaccount or subaccounts for the purchases listed on the special terms sales slip. A special subaccount is part of your credit card account, but the finance charge and minimum payment for a subaccount are handled separately from your regular subaccount and from your other special subaccounts. Terms shown on a special terms sales slip apply only to purchases listed on the special terms sales slip. Items that are purchased under the same terms and that have special terms beginning in the same billing cycle may be included in the same subaccount, even if they were purchased separately. Items that have special terms beginning in different billing cycles may be in different subaccounts, even if they were purchased at the same time.

LENGTH OF SPECIAL TERMS. The special terms for a purchase are in effect for the number of monthly billing cycles indicated on the sales slip or until the date indicated on the sales slip or monthly statement. The length of time special terms are in effect is subject to our rights under the paragraph headed "Transfer to Regular Subaccount." If a special terms sales slip does not indicate how long the special terms are in effect, then they are in effect until the subaccount is paid, subject to our rights under the paragraph headed "Transfer to Regular Subaccount."

TRANSFER TO REGULAR SUBACCOUNT. The unpaid balance of a subaccount containing an item on a special terms sales slip will be transferred to your regular subaccount at the end of the special terms but before the minimum payment is figured. We may, at our option, transfer the unpaid balance (and the accumulated finance charge, if applicable) of a subaccount containing an item on a special terms sales slip to your regular subaccount any time you fail to make any required payment on your account when due. When the unpaid balance of a subaccount is transferred to your regular subaccount, the special terms end, and the unpaid balance (and accumulated finance charge, if applicable) will be subject to all the terms of your regular subaccount, without modification.

INTEREST TERMS. A special terms sales invoice will indicate that one of the following interest terms applies:

NO INTEREST. If a special terms sales slip says there is no interest, it means that there is no finance charge on the subaccount containing the items sold on the sales slip until the special terms end. You may avoid finance charges on a no interest subaccount by paying the balance of the subaccount in full before the special terms end.

NO INTEREST OPTION (SAME AS CASH). If a special terms sales slip says there is a no interest option (same as cash), it means we figure the finance charge on the subaccount containing the items sold on the sales slip, but we do not add the finance charge to the balance of the subaccount. Instead, the finance charge is added to the total of the finance charges for the subaccount for prior months. This amount is called the accumulated finance charge. If the subaccount is not paid in full before the special terms end, the balance of the subaccount and the accumulated finance charge will be transferred to your regular subaccount. The monthly periodic rate used in figuring the finance charge for the subaccount and the corresponding annual percentage rate are the same as used for your regular subaccount. We figure the finance charge on a no interest option (same as cash) subaccount by applying the periodic rate to the

"average daily balance" of the subaccount (including current transactions). To get the "average daily balance" we take the beginning balance of the subaccount each day, add any purchases or charges, and subtract any payments or credits. Then we add all the daily balances for the billing cycle together (credit balances are not included) and divide the total by the number of days in the billing cycle. This gives us the average daily balance. The finance charge on a purchase in a no interest option (same as cash) subaccount begins on the date the transaction is posted to your account. You may avoid finance charges on a purchase in a no interest option (same as cash) subaccount by paying the subaccount in full before the special terms end.

SPECIAL RATE. If a special terms sales slip shows a special rate, it means that the monthly periodic rate and corresponding annual percentage rate shown on the sales slip will be used to figure the finance charge for the subaccount instead of the monthly periodic rate and annual percentage rate used for your regular subaccount. The balance on which the finance charge is computed will be figured using the same method used for your regular subaccount. The finance charge on a transaction in a special rate subaccount begins on the date the transaction is first charged to the subaccount unless you pay the new balance for the subaccount shown on the statement listing the transaction within 25 days after the billing date. If you pay the new balance for the subaccount shown on a statement within 25 days after the billing date you will avoid finance charges for transactions under the subaccount listed on that statement. You will also avoid additional finance charges on the rest of the new balance for the subaccount.

REGULAR RATE. If a special terms sales slip says the rate is the regular rate, it means that the monthly periodic rate used in figuring the finance charge for the subaccount and corresponding annual percentage rate are the same as used for your regular subaccount. The balance on which the finance charge is computed will be figured using the same method for your regular subaccount. The finance charge on a transaction in a regular rate subaccount begins on the date the transaction is first charged to the subaccount unless you pay the new balance for the subaccount shown on the statement listing the transaction within 25 days after the billing date. If you pay the new balance for the subaccount shown on a statement within 25 days after the billing date you will avoid finance charges for transactions under the subaccount listed on that statement. You will also avoid additional finance charges on the rest of the new balance for the subaccount.

SPECIAL SUBACCOUNTS MINIMUM PAYMENT. A special terms sales slip will indicate that one of the following payment terms applies. You may pay all or part of the balance of a subaccount at any time.

NO PAYMENT. If a special terms sales slip says there are no payments, it means there are no monthly payments required for a subaccount containing an item on the sales slip until the special terms end. Monthly payments will be due when the unpaid balance transfers to the Regular Subaccount.

PAYMENT IN FULL. If a special terms sales slip says that payment in full is required during the special terms, it means the minimum monthly payment for a subaccount containing an item listed on the sales slip is the amount required to pay the subaccount in full in equal monthly payments during the special terms, rounded to the next higher dollar.

REGULAR PAYMENTS. If a special terms sales slip says that regular payments are required, it means that the minimum monthly payment for a subaccount containing an item on the sales slip will be figured the same way as your regular subaccount.

CUSTOM PAYMENTS. If a special terms sales slip says that the payment terms are custom payment terms and gives a fraction, it means that the minimum payment for the subaccount is that fraction of the highest new balance of the subaccount. The minimum payment will be rounded to the nearest dollar. For example, if the special terms sales slip says that the payment terms are "Custom 1/40th" it means that the minimum payment for the subaccount will be 1/40th of the highest new balance of the subaccount rounded to the nearest dollar.

CASH ADVANCE SUBACCOUNT

These terms apply to your Cash Advance subaccount:

CASH ADVANCE SUBACCOUNT MINIMUM PAYMENT. The new balance for the subaccount shown on a statement is the unpaid balance of the subaccount at the end of the billing cycle. The minimum payment for the Cash Advance subaccount is 1/30th of the highest new balance of the Cash Advance subaccount, but at least \$25.00. The minimum payment will be rounded to the nearest dollar. The minimum payment will change only if subsequent Cash Advance subaccount activity increases the new balance to an amount requiring a higher minimum payment.

WHEN FINANCE CHARGE IS IMPOSED — CASH ADVANCES. A finance charge in the form of a cash advance fee will be imposed on each cash advance posted to the Cash Advance subaccount. In addition, a finance charge figured by applying the periodic rate will be imposed on cash advances from the day they are posted to the subaccount until the day they are paid in full. There is no time period within which to pay to avoid these finance charges.

PERIODIC RATE. The periodic rate used in figuring the finance charge is 2.00% per month (ANNUAL PERCENTAGE RATE 24.00%).

CASH ADVANCE FEE. You agree to pay a cash advance fee to your account for each cash advance you obtain. The amount of the cash advance fee will be 3% of the amount of the cash advance, but not less than \$10.00 for any single cash advance. The cash advance fee is a FINANCE CHARGE. We may from time to time waive cash advance fees for certain cash advances for a specified period of time. This means that you will not be charged for cash advance fees on those cash advances during the special terms period.

FINANCE CHARGE. The total finance charge for your Cash Advance subaccount for a billing cycle will be made up of any cash advance fee imposed during the billing cycle, plus the

amount obtained by applying the periodic rate for the current billing cycle to the average daily balance of cash advances, plus the initial finance charge on purchases for the current billing cycle, plus the remaining finance charge on purchases for the previous billing cycle. The initial finance charge on purchases for the current billing cycle is figured by applying the periodic rate for the current billing cycle to the average daily balance of old purchases. The remaining finance charge on purchases for the previous billing cycle is figured by applying the periodic rate for the current billing cycle to the average daily balance of previous billing cycle new purchases.

AVERAGE DAILY BALANCE OF CASH ADVANCES. To get the average daily balance of cash advances for the subaccount we take the beginning balance of cash advances each day of the current billing cycle, add any cash advances and subtract any payments or credits that were applied to cash advances. This gives us the daily balance of cash advances. Then we add up all the daily balances of cash advances (credit balances are not included) and divide the total by the number of days in the current billing cycle. This gives us the average daily balance of cash advances.

NOTICES:

The information about the cost of the card described in the retail installment credit agreement is accurate as of June 2001. This information may have changed after that date. To find out what may have changed, call us at 1-800-835-8103.

IN CA: A married applicant may apply for a separate account. After credit approval each applicant will have the right to use this account to the extent of any limit set by us, and may be liable for all amounts extended under this account to any joint applicant.

IN NY: A consumer report may be requested in connection with this application or any update, renewal or extension of any credit granted as a result of this application. You will be informed upon request whether a report was requested and the name and address of the consumer reporting agency that furnished the report.

IN OH: The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

IN WI: No provision of a marital property agreement (including a Statutory Individual Property Agreement pursuant to Sec. 766.587, Wis. Stat.), unilateral statement classifying income from separate property under Sec. 766.58, or court decree under Sec. 766.70 adversely affects the creditor unless the creditor is furnished with a copy of the document prior to the credit transaction or has actual knowledge of its adverse provisions at the time the obligation is incurred.

New York residents may contact the New York State Banking Department to obtain a comparative listing of credit card rates, fees and grace periods. New York State Banking Department 1-800-518-8866

NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

ANNUAL PERCENTAGE RATE (APR) FOR PURCHASES	24.0%
OTHER APRs	Cash Advance APR: 24.0%
GRACE PERIOD FOR REPAYMENT OF BALANCES FOR PURCHASES	You have 25 days after the billing date to repay your balance before a finance charge on purchases will be imposed.
METHOD OF COMPUTING THE BALANCE FOR PURCHASES	Two-cycle average daily balance (excluding new purchases)
LATE PAYMENT FEE	\$28.00
OVER LIMIT FEE	\$28.00
CONVENIENCE PAYMENT FEE	\$5.00 per payment
CASH ADVANCE FEE	3% of each Cash Advance with a minimum of \$10.00

Returned Instrument Fee - \$28.00

NOTICE: See reverse side for important information.

2600 06/01 (7290) (NV)

YOU'RE INVITED TO OPEN A



PREFERRED CUSTOMER ACCOUNT TODAY.

HOFF JEWELRY
we may share
your transactions. This
information is not
to be used for any
other purpose. In
the event you do not
agree to this, please
contact us at 1-800-835-8103.
Thank you for your
business.

04-04003-0

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:
Christopher J Stigen,
Debtor,


Case No. 04-44463
Chapter 13 Case

VERIFICATION FOR MOTION FOR RELIEF FROM STAY
OR CONFIRMATION OBJECTION

I, Kris Carroll, the Designated Agent for Wells Fargo Financial National Bank, the Creditor herein, declare under penalty of perjury that the following is true and correct according to the best of my knowledge, information and belief, and based on the Creditor's business records:

1. I am legally competent to testify and am personally familiar with the debt owed by Debtor to the Creditor on account no. 699-105960.
2. The Debtor owes the Creditor \$7,290.86, payoff amount as of date of filing, plus accrued unpaid interest thereon since that date. The monthly loan payment is \$ 245.00. As of today, the loan payments are in arrears \$ 2205.00 for payments owing since 1-27-03.
3. The debt owed to the Creditor is secured by a perfected lien on a 14K WHITE GOLD 1/2 CTW DIAMOND RING. The current market value of the ring is believed to be \$ 5000.00.
4. True and correct copies of the title documents are attached to the Motion as Exhibit "A". True and correct copies of the loan documents are attached as Exhibit "B".

Dated: 9-28-04



Kris Carroll
Wells Fargo Financial National Bank
Recovery Dept
PO Box 7510
Urbandale, IA 50323

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Case No. 04-44463

Christopher J Stigen,
Debtor,

Chapter 13 Case

UNSWORN DECLARATION OF PROOF OF SERVICE

I, Linda Jeanne Jungers, declare under penalty of perjury that on September 29, 2004, I mailed copies of the foregoing Objection to Confirmation of Plan with Memorandum, Verification, proposed Order, and Unsworn Declaration of Proof of Service, by first class mail, postage prepaid, to each entity named below at the address stated below for each entity.

Christopher J Stigen
9161 Louisiana Ave N
Minneapolis, MN 55445

James T Skonnord
Attorney at Law
311 Ramsey St
St Paul, MN 55102

Jasmine Z. Keller
Chapter 13 Trustee
12 S. 6th St #310
Minneapolis, MN 55402

U.S. Trustee
1015 U.S. Courthouse
300 South 4th Street
Minneapolis, MN 55415

Executed on: September 29, 2004

Signed: /s/Linda Jeanne Jungers
Linda Jeanne Jungers
STEWART, ZLIMEN & JUNGERS
430 Oak Grove Street, #200
Minneapolis, MN 55403

04-04003-0

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Case No. 04-44463

Christopher J Stigen,

Chapter 13 Case

Debtor,

ORDER DENYING CONFIRMATION OF CHAPTER 13 PLAN

This Chapter 13 case came on before the Court on October 7, 2004 at 10:30 AM, for hearing on confirmation of a proposed Plan of individual debt adjustment. Linda Jeanne Jungers appeared on behalf of Wells Fargo Financial National Bank. Other appearances were as noted in the record. Upon the record made at the hearing, and the other files, records, and proceedings in this case,

IT IS HEREBY ORDERED:

That confirmation of Debtor's Plan of debt adjustment is denied.

Dated:

BY THE COURT:

United States Bankruptcy Judge